

**OFFICE OF INDEPENDENT BUDGET ANALYST
CITY OF SAN DIEGO
M E M O R A N D U M**

DATE: December 4, 2008
TO: Members of the City Council
FROM: Andrea Tevlin, Independent Budget Analyst *Andrea T.*
SUBJECT: Item 100: Consultant Agreement with MGT of America, Inc.

Item 100 on the Council meeting docket of December 9th requests the following two actions:

1. Authorizing the execution of a sole source professional services agreement between the City and MGT for the purpose of developing departmental-wide indirect cost rates for Engineering and Capital Projects Department services; and
2. Authorizing the expenditure of up to \$50,000 for this contract.

I recommend that this item be returned to the Mayor's Office and that the docket item be revised to reflect that this work was completed for the City by MGT in FY 2008 at a cost of \$28,000, according to City staff. No additional funding is expected to be required for this task.

MGT completed the indirect cost analysis last year and the new rates were implemented as part of the FY 2009 budget. While the amount requested for this specific MGT contract is far below the threshold of \$250,000 which requires Council approval, MGT had already entered into contracts with the City in FY 2008 which exceeded \$250,000. Therefore, Council approval is being sought to pay MGT \$28,000 for work completed. The docket item should be revised to reflect this.

I would also note that with the recent completion of five CAFR's, rebuilding the capacity within the Comptroller's Office to undertake such analyses should be a priority to avoid costly contracts for this purpose in the future.

000109

CITY OF SAN DIEGO
M E M O R A N D U M

L. P. Approved
10/21/08

DATE: 10/21/2008
TO: Karan Wolff
FROM: Beverly Asbill-Gumbs
SUBJECT: Sole Source Request — MGT of America, Inc. (MGT) for Sole Source Agreement for Engineering & Capital Projects Dept- MGT of America Inc(formerly Public Resource Management Group) Reference #1855

100
12/09

Negotiated Total: \$50,000.00
Dept. Est. Total: \$0.00
Vendor: MGT of America, Inc. (MGT)
Expiration Date: 10/13/2009
Recommendation: **Approved**

BACKGROUND

The Engineering and Capitol Projects department is requesting an extension of the expiration date of the referenced sole source number 1855 which was issued to hire a consultant to assist in formulating the new organizational rate structure for their department.

The consultant has already performed the services as outlined in the referenced sole source. Approval of this request to extend the expiration date will allow the department time to obtain city councils approval which is required by Financial Management so that they can issue final payment. This request will not require any additional costs.

000111

CITY OF SAN DIEGO
M E M O R A N D U M

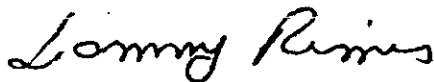
DATE: October 15, 2008

TO: Afshin Oskoui, Assistant Director

FROM: Tammy Rimes, Purchasing Agent

SUBJECT: Sole Source Request for Sole Source Agreement for Engineering & Capital Projects Dept- MGT of America Inc(formerly Public Resource Management Group) Reference #1855

Your Sole Source Request for the above subject with MGT of America, Inc. (MGT) was approved and is valid through 10/13/2009. In order for a Purchase Order to be issued, your department has to submit a purchase requisition. In the internal header notes of the requisition, please reference Sole Source Case Number 1970. For questions, please contact Beverly Asbill-Gumbs at x65923.



Tammy Rimes
Purchasing Agent

TR/yk

cc: Patti Boekamp, Director, Engineering & Capital Projects
Tammy Rimes, Asst Director P&C
James Nagelvoort, Deputy Director E&CP
Sabrina Carnell, Senior Management Analyst, E&CP
Hildred Pepper, Director P&C
David Jarrell, Deputy Chief Public Works

000113



THE CITY OF SAN DIEGO
MAYOR JERRY SANDERS

M E M O R A N D U M

DATE: September 30, 2008

TO: Hildred Pepper, Purchasing & Contracting Director via David Jarrell, Deputy Chief of Public Works

FROM : Afshin Oskoui, Chief of Design, Engineering & Capital Projects Department

SUBJECT: Sole Source Agreement for Engineering & Capital Projects Department – **MGT of America Inc. (formerly known as Public Resource Management Group)**
Reference #1855

This memo is to request an extension for a sole source agreement with MGT - of America Inc. (formerly known as Public Resource Management Group) due to a long waited response from the City Attorney's Office to determine if the document should be routed as Mayoral Action (1544) or Council Action (1472).

Should you have any questions or require additional information, please contact James Nagelvoort at (619) 533-3616.

A handwritten signature in black ink, appearing to read "Afshin Oskoui".

Afshin Oskoui

SMC/ao

cc: Patti Boekamp, Director, Engineering & Capital Projects
Tammy Rimes, Assistant Director, P&C
James Nagelvoort, Deputy Director, E&CP
Sabrina Carnell, Senior Management Analyst, E&CP

000115
DOCKET SUPPORTING INFORMATION
CITY OF SAN DIEGO
EQUAL OPPORTUNITY CONTRACTING PROGRAM EVALUATION

DATE: 100
October 21, 2008 12/09

SUBJECT: Consultant Agreement – MGT of America, Inc.

GENERAL CONTRACT INFORMATION

Recommended Consultant: MGT of America, Inc.
Amount of this Action: \$50,000.00
Funding Source: City

SUBCONSULTANT PARTICIPATION

No subconsultant participation for this action.

EQUAL EMPLOYMENT OPPORTUNITY COMPLIANCE

Equal Opportunity: Required

MGT of America, Inc. submitted a Work Force Report for their Leon County, Florida, employees dated October 6, 2008, with a total of 147 employees. The firm's Work Force Analysis reflects under representations in the following categories:

Blacks in Mgmt & Financial and Professional
Asians in Professional
Filipinos in Professional
Females in Mgmt & Financial, Professional and Administrative Support

EOC staff is concerned about the under representations in the firm's work force report and therefore, has requested an Equal Opportunity Employment Plan and will continue to monitor the firm's effort to implement their plans.

This agreement is subject to the City's Equal Opportunity Contracting (San Diego Ordinance No. 18173, Section 22.2701 through 22.2702) and Non-Discrimination in Contracting Ordinance (San Diego Municipal Code Sections 22.3501 through 22.3517)

ADDITIONAL COMMENTS

The Work Force Analysis is attached.


JLR

File: Admin WOFO 2000

Date WOFO Submitted: 10/6/2008

Input by: Lad

Goals reflect statistical labor force

availability for the following

2000 CLFA

Leon County, FL

City of San Diego/Equal Opportunity Contracting
WORK FORCE ANALYSIS REPORT

FOR

Company: MGT OF AMERICA, INC.

I. TOTAL WORK FORCE:

	CLFA Goals	Black		CLFA Goals	Hispanic		CLFA Goals	Asian		CLFA Goals	American Indian		CLFA Goals	Filipino		White		Other	
		M	F		M	F		M	F		M	F		M	F	M	F	M	F
Mgmt & Financial	17.1%	2	0	2.2%	0	0	1.4%	1	0	0.2%	0	0	1.4%	0	0	16	8	0	0
Professional	20.8%	5	7	3.2%	4	3	2.6%	0	0	0.3%	0	0	2.6%	0	0	39	43	0	0
A&E, Science, Computer	15.7%	0	0	3.0%	0	0	5.1%	0	0	0.0%	0	0	5.1%	0	0	0	0	0	2
Technical	24.6%	0	0	4.4%	0	0	2.7%	0	0	0.5%	0	0	2.7%	0	0	0	0	0	0
Sales	26.5%	0	0	3.3%	0	0	1.8%	0	0	0.2%	0	0	1.8%	0	0	0	1	0	0
Administrative Support	26.8%	3	1	3.3%	0	1	1.2%	0	1	0.2%	0	0	1.2%	0	0	3	7	0	0
Services	39.2%	0	0	4.9%	0	0	2.0%	0	0	0.3%	0	0	2.0%	0	0	0	0	0	0
Crafts	23.9%	0	0	1.9%	0	0	1.4%	0	0	0.0%	0	0	1.4%	0	0	0	0	0	0
Operative Workers	38.7%	0	0	4.8%	0	0	1.0%	0	0	0.0%	0	0	1.0%	0	0	0	0	0	0
Transportation	37.8%	0	0	2.1%	0	0	0.6%	0	0	0.8%	0	0	0.6%	0	0	0	0	0	0
Laborers	33.7%	0	0	3.6%	0	0	1.6%	0	0	0.9%	0	0	1.6%	0	0	0	0	0	0
TOTAL		10	8		4	4		1	1		0	0		0	0	58	59	0	2

HOW TO READ TOTAL WORK FORCE SECTION:

The information blocks in Section I (Total Work Force) identify the absolute number of the firm's employees. Each employee is listed in their respective ethnic/gender and employment category. The percentages listed under the heading of "CLFA Goals" are the County Labor Force Availability goals for each employment and ethnic/gender category.

Mgmt & Financial
Professional
A&E, Science, Computer
Technical
Sales
Administrative Support
Services
Crafts
Operative Workers
Transportation
Laborers

TOTAL EMPLOYEES		
ALL	M	F
27	19	8
101	48	53
2	0	2
0	0	0
1	0	1
16	6	10
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
0	0	0
TOTAL	147	73

Female Goals
43.5%
56.8%
26.9%
82.1%
52.5%
70.3%
56.6%
8.2%
36.1%
12.8%
12.7%

HOW TO READ EMPLOYMENT ANALYSIS SECTION:

The percentages listed in the goals column are calculated by multiplying the CLFA goals by the number of employees in that job category. The number in that column represents the percentage of each protected group that should be employed by the firm to meet the CLFA goal. A negative number will be shown in the discrepancy column for each underrepresented goal of at least 1.00 position.

II. EMPLOYMENT ANALYSIS

	Black			Hispanic			Asian			American Indian			Filipino			Female		
	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy	Goals	Actual	Discrepancy
Mgmt & Financial	4.62	2	(2.62)	0.59	0	N/A	0.38	1	N/A	0.05	0	N/A	0.38	0	N/A	11.75	8	(3.75)
Professional	21.01	12	(9.01)	3.23	7	3.77	2.63	0	(2.63)	0.30	0	N/A	2.63	0	(2.63)	57.37	53	(4.37)
A&E, Science, Computer	0.31	0	N/A	0.06	0	N/A	0.10	0	N/A	0.00	0	N/A	0.10	0	N/A	0.54	2	1.46
Technical	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Sales	0.27	0	N/A	0.03	0	N/A	0.02	0	N/A	0.00	0	N/A	0.02	0	N/A	0.53	1	N/A
Administrative Support	4.29	4	N/A	0.53	1	N/A	0.19	1	N/A	0.03	0	N/A	0.19	0	N/A	11.25	10	(1.25)
Services	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Crafts	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Operative Workers	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Transportation	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00
Laborers	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00	0.00	0	0.00

Goals are set by job categories for each protected group. An underrepresentation is indicated by a negative number, but if the DISCREPANCY is less than -1.00 position, a N/A will be displayed to show there is no underrepresentation.

000117

000119



City of San Diego

EQUAL OPPORTUNITY CONTRACTING (EOC)

1200 Third Avenue • Suite 200 • San Diego, CA 92101

Phone: (619) 236-6000 • Fax: (619) 235-5209

WORK FORCE REPORT**LOCAL WORK FORCE**

The objective of the *Equal Employment Opportunity Outreach Program*, San Diego Municipal Code Sections 22.3501 through 22.3517, is to ensure that contractors doing business with the City, or receiving funds from the City, do not engage in unlawful discriminatory employment practices prohibited by State and Federal law. Such employment practices include, but are not limited to unlawful discrimination in the following: employment, promotion or upgrading, demotion or transfer, recruitment or recruitment advertising, layoff or termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. Contractors are required to provide a completed *Work Force Report*.

CONTRACTOR IDENTIFICATION

Type of Contractor: ☐ Construction ☐ Vendor/Supplier ☐ Financial Institution ☐ Lessee/Lessor
☒ Consultant ☐ Grant Recipient ☐ Insurance Company ☐ Other

Name of Company: MGT OF AMERICA, INC.

AKA/DBA: N/A

Address (Corporate Headquarters, where applicable): 2123 CENTRE POINTE BLVD

City TALLAHASSEE County LEON State FLORIDA Zip 32308-4930

Telephone Number: (850) 386-3191 FAX Number: (850) 385-4501

Name of Company CEO: FRED FORBER

Address (es), phone and fax number(s) of company facilities located in San Diego County (if different from above):

Address: NONE

City N/A County N/A State N/A Zip N/A

Telephone Number: () N/A FAX Number: () N/A

Type of Business: MANAGEMENT CONSULTING Type of License: N/A

The Company has appointed: MICHELLE JUAREZ

as its Equal Employment Opportunity Officer (EEOO). The EEOO has been given authority to establish, disseminate, and enforce equal employment and affirmative action policies of this company. The EEOO may be contacted at:

Address: 2123 CENTRE POINTE BLVD, TALLAHASSEE, FLORIDA 32308

Telephone Number: (850) 386-3191 FAX Number: (850) 385-4501

For Firm's: ☐ San Diego Work Force and/or ☐ Managing Office Work Force

I, the undersigned representative of MGT OF AMERICA, INC.
 (Firm Name)

LEON, FLORIDA hereby certify that information provided
 (County) (State)

Herein is true and correct. This document was executed on this 6th day of October, 2008.

[Signature]
 (Authorized Signature)

MICHELLE JUAREZ
 (Print Authorized Signature Name)

000120

WORK FORCE REPORT - Page 2

NAME OF FIRM: MGT OF AMERICA, INC.DATE: 10/06/2008

INSTRUCTIONS: For each occupational category, indicate number of males and females in every ethnic group. Total columns in row provided. Sum of all totals should be equal to your total work force. Include all those employed by your company on either a full or part-time basis. The following groups are to be included in ethnic categories listed in columns below:

- (1) African-American, Black (5) Filipino
 (2) Latino, Hispanic, Mexican-American, Puerto Rican (6) Caucasian
 (3) Asian, Pacific Islander (7) Other ethnicity; not falling into other groups
 (4) American Indian, Eskimo

OCCUPATIONAL CATEGORY	(1) African-American		(2) Latino		(3) Asian		(4) American Indian		(5) Filipino		(6) Caucasian		(7) Other Ethnicities	
	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)	(M)	(F)
Executive, Administrative, Managerial	2	0	0	0	1	0	0	0	0	0	16	8	0	0
Professional Specialty	5	7	4	3	0	0	0	0	0	0	39	43	0	2
Engineers/Architects	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Technicians and Related Support	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Sales	0	0	0	0	0	0	0	0	0	0	0	1	0	0
Administrative Support/Clerical	3	1	0	1	0	1	0	0	0	0	3	7	0	0
Services	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Precision Production, Craft and Repair	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Machine Operators, Assemblers, Inspectors	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Transportation and Material Moving	0	0	0	0	0	0	0	0	0	0	0	0	0	0
Handlers, Equipment Cleaners, Helpers and Non-construction Laborers*	0	0	0	0	0	0	0	0	0	0	0	0	0	0

*Construction laborers and other field employees are not to be included on this page

TOTALS EACH COLUMN	10	8	4	4	1	1	0	0	0	0	58	59	0	2
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GRAND TOTAL ALL EMPLOYEES

147

INDICATE BY GENDER AND ETHNICITY THE NUMBER OF ABOVE EMPLOYEES WHO ARE DISABLED:

DISABLED														
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NON-PROFIT ORGANIZATIONS ONLY:

BOARD OF DIRECTORS														
VOLUNTEERS														
ARTISTS														

REQUEST FOR COUNCIL ACTION
CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(FOR AUDITOR'S USE ONLY)
2900363 100
12/09

000121

TO: CITY ATTORNEY

2. FROM (ORIGINATING DEPARTMENT):
Engineering & Capital Projects Department

3. DATE:
August 25, 2008

4. SUBJECT:

CONSULTANT AGREEMENT – MGT OF AMERICA, INC.
(FORMERLY KNOWN AS PUBLIC RESOURCE MANAGEMENT GROUP, LLC)

5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.)

Sabrina Carnell, (619) 533-7587, MS #908A

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.)

James Nagelvoort, (619) 533-3616, MS #612

7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED ☒

8. COMPLETE FOR ACCOUNTING PURPOSES

FUND	See attached		
DEPT.	funding		
ORGANIZATION	breakdown		
OBJECT ACCOUNT			
JOB ORDER			
C.I.P. NUMBER			
AMOUNT	\$50,000		

9. ADDITIONAL INFORMATION / ESTIMATED COST:

This request exceeds the cumulative amount spent with the City of \$250,000

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT	<i>[Signature]</i>	9/17/08	8	C.O.O.	- Not required -	
2	EOC	SIGNATURES		9	PURCHASING & CONTRACTING	<i>[Signature]</i>	11/12/08
3	EAS	ON FILE		10	CITY ATTORNEY	<i>[Signature]</i>	11/19/08
4	LIAISON OFFICE	<i>[Signature]</i>	10/2/08	11	ORIGINATING DEPARTMENT	<i>[Signature]</i>	11/24/08
5	FM/CIP	<i>[Signature]</i>	10/27/08		DOCKET COORD:	COUNCIL LIAISON: <i>[Signature]</i>	11/26/08
6	COMPTROLLER	<i>[Signature]</i>	10/31/08		COUNCIL PRESIDENT	<input type="checkbox"/> SPOB <input checked="" type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION	
7	DEPUTY CHIEF	<i>[Signature]</i>	11/3/08		REFER TO:	COUNCIL DATE: 12/9/08	

11. PREPARATION OF:

☒ RESOLUTION(S) ☐ ORDINANCE(S) ☐ AGREEMENT(S) ☐ DEED(S)

- Approving the Sole Source Number 1855 for the agreement between The City of San Diego and MGT of America, Inc. (formerly known as Public Resource Management Group, LLC) for the purpose of developing departmental wide indirect cost rates; and
- Authorizing the expenditure of an amount not to exceed \$50,000 for the Agreement with MGT of America, Inc. (formerly known as Public Resource Management Group, LLC). Fund 100, General Fund; Fund 30100, Underground Surcharge Fund;

11A. STAFF RECOMMENDATIONS:

Approve the Resolution.

12. SPECIAL CONDITIONS:

COUNCIL DISTRICT(S): All Council Districts

COMMUNITY AREA(S): City-wide

ENVIRONMENTAL IMPACT: This activity is not a "project" and is therefore not subject to CEQA per CEQA Guidelines Section §15050(c)(2).

HOUSING IMPACT: None

OTHER ISSUES: None

ATTACHMENTS: Sole Source Memo, Agreement, Funding breakdown

000122

REQUEST FOR COUNCIL ACTION

CITY OF SAN DIEGO

1. CERTIFICATE NUMBER
(FOR AUDITOR'S USE ONLY)TO:
CITY ATTORNEY2. FROM (ORIGINATING DEPARTMENT):
Engineering & Capital Projects Department3. DATE:
August 25, 2008

4. SUBJECT:

CONSULTANT AGREEMENT – MGT OF AMERICA, INC.
(FORMERLY KNOWN AS PUBLIC RESOURCE MANAGEMENT GROUP, LLC)

5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.)

Sabrina Carnell, (619) 533-7587, MS #908A

6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.)

James Nagelvoort, (619) 533-3616, MS #612

7. CHECK BOX IF REPORT TO
COUNCIL IS ATTACHED ☒



8. COMPLETE FOR ACCOUNTING PURPOSES

FUND	Sec attached		
DEPT.	funding		
ORGANIZATION	breakdown		
OBJECT ACCOUNT			
JOB ORDER			
C.I.P. NUMBER			
AMOUNT	\$50,000		

9. ADDITIONAL INFORMATION / ESTIMATED COST:

This request exceeds the cumulative
amount spent with the City of \$250,000

10. ROUTING AND APPROVALS

ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED	ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT		9/17/08	8	C.O.O		
2	EOC		10/21/08	9	PURCHASING & CONTRACTING		
3	EAS			10	CITY ATTORNEY		
4	LIAISON OFFICE			11	ORIGINATING DEPARTMENT		
5	FM/CIP			DOCKET COORD: _____ COUNCIL LIAISON: _____			
6	COMPTROLLER			<input checked="" type="checkbox"/> COUNCIL PRESIDENT <input type="checkbox"/> SPOB <input type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION <input type="checkbox"/> REFER TO: _____ COUNCIL DATE: _____			
7	DEPUTY CHIEF						

11. PREPARATION OF:

☒ RESOLUTION(S)☐ ORDINANCE(S)☐ AGREEMENT(S)☐ DEED(S)

1. Approving the Sole Source Number 1855 for the agreement between The City of San Diego and MGT of America, Inc. (formerly known as Public Resource Management Group, LLC) for the purpose of developing departmental wide indirect cost rates; and
2. Authorizing the expenditure of an amount not to exceed \$50,000 for the Agreement with MGT of America, Inc. (formerly known as Public Resource Management Group, LLC). Fund 100, General Fund; Fund 30100, Underground Surcharge Fund;

11A. STAFF RECOMMENDATIONS:

Approve the Resolution.

12. SPECIAL CONDITIONS:

COUNCIL DISTRICT(S): All Council Districts

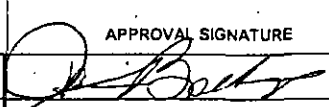
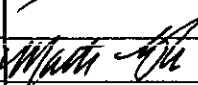
COMMUNITY AREA(S): City-wide

ENVIRONMENTAL IMPACT: This activity is not a "project" and is therefore not subject to CEQA per CEQA
Guidelines Section §15050(c)(2).

HOUSING IMPACT: None

OTHER ISSUES: None

ATTACHMENTS: Sole Source Memo, Agreement, Funding breakdown

000123 REQUEST FOR COUNCIL ACTION CITY OF SAN DIEGO		1. CERTIFICATE NUMBER (FOR AUDITOR'S USE ONLY)	
TO: CITY ATTORNEY		2. FROM (ORIGINATING DEPARTMENT): Engineering & Capital Projects Department	
		3. DATE: August 25, 2008	
4. SUBJECT: <p style="text-align: center;">CONSULTANT AGREEMENT - MGT OF AMERICA, INC. (FORMERLY KNOWN AS PUBLIC RESOURCE MANAGEMENT GROUP, LLC)</p>			
5. PRIMARY CONTACT (NAME, PHONE & MAIL STA.) Sabrina Carnell, (619) 533-7587, MS #908A		6. SECONDARY CONTACT (NAME, PHONE & MAIL STA.) James Nagelvoort, (619) 533-3616, MS #612	
		7. CHECK BOX IF REPORT TO COUNCIL IS ATTACHED <input checked="" type="checkbox"/>	
8. COMPLETE FOR ACCOUNTING PURPOSES			
FUND	See attached		
DEPT.	funding		
ORGANIZATION	breakdown		
OBJECT ACCOUNT			
JOB ORDER			
C.I.P. NUMBER			
AMOUNT	\$50,000		
9. ADDITIONAL INFORMATION / ESTIMATED COST: This request exceeds the cumulative amount spent with the City of \$250,000			
10. ROUTING AND APPROVALS			
ROUTE (#)	APPROVING AUTHORITY	APPROVAL SIGNATURE	DATE SIGNED
1	ORIGINATING DEPARTMENT		9/17/08
2	EOC		
3	EAS		10/3/08
4	LIAISON OFFICE		
5	FM/CIP		
6	COMPTROLLER		
7	DEPUTY CHIEF		
		DOCKET COORD: _____ COUNCIL LIAISON: _____ <input checked="" type="checkbox"/> COUNCIL PRESIDENT <input type="checkbox"/> SPOB <input type="checkbox"/> CONSENT <input type="checkbox"/> ADOPTION <input type="checkbox"/> REFER TO: _____ COUNCIL DATE: _____	
11. PREPARATION OF: <input checked="" type="checkbox"/> RESOLUTION(S) <input type="checkbox"/> ORDINANCE(S) <input type="checkbox"/> AGREEMENT(S) <input type="checkbox"/> DEED(S)			
1. Approving the Sole Source Number 1855 for the agreement between The City of San Diego and MGT of America, Inc. (formerly known as Public Resource Management Group, LLC) for the purpose of developing departmental wide indirect cost rates; and 2. Authorizing the expenditure of an amount not to exceed \$50,000 for the Agreement with MGT of America, Inc. (formerly known as Public Resource Management Group, LLC). Fund 100, General Fund; Fund 30100, Underground Surcharge Fund;			
11A. STAFF RECOMMENDATIONS: Approve the Resolution.			
12. SPECIAL CONDITIONS:			
COUNCIL DISTRICT(S): All Council Districts COMMUNITY AREA(S): City-wide ENVIRONMENTAL IMPACT: This activity is not a "project" and is therefore not subject to CEQA per CEQA Guidelines Section §15050(c)(2). HOUSING IMPACT: None OTHER ISSUES: None ATTACHMENTS: Sole Source Memo, Agreement, Funding breakdown			

000125

REPORT TO THE CITY COUNCIL
EXECUTIVE SUMMARY SHEET

DATE REPORT ISSUED: September 30, 2008 REPORT NO.:
ATTENTION: Council President and City Council
ORIGINATING DEPT.: Engineering and Capital Projects
SUBJECT: Consultant Agreement – MGT of America, Inc. (formerly known
as Public Resource Management Group, LLC)
COUNCIL DISTRICTS: All Council Districts
STAFF CONTACT: James Nagelvoort (619) 533-3616, MS 612

REQUESTED ACTION:

1. Authorizing the execution of a professional services agreement between the City of San Diego and MGT of America, Inc. (formerly known as Public Resource Management Group, LLC) for the purpose of developing department- wide indirect cost rates; and
2. Authorizing the expenditure of an amount not to exceed \$50,000 for the Agreement with MGT (formerly known as Public Resource Management Group, LLC).

STAFF RECOMMENDATION:

Staff recommendation is to approve the resolution.

EXECUTIVE SUMMARY:

The Engineering and Capital Projects Department completed Business Process Reengineering (BPR) which was approved by City Council on July 31, 2007. As a result, the department required the assistance of a consultant to formulate a new organizational overhead rate structure.

MGT of America, Inc. (formerly known as Public Resource Management Group (PRM) was awarded a sole source contract (Sole Source #1855) due to their existing contract working with the Comptroller's Office to calculate city-wide overhead rates. To maintain consistency and compatibility with City's existing practices it was advantageous to maintain MGT of America, Inc. (formerly known as Public Resource Management Group, LLC), which has the experience and resources necessary to complete the new organizational rate structure for inclusion in the budget.

FISCAL CONSIDERATIONS:

The total fee for the Agreement is \$50,000. Funding is available within the Department's Fund 100, General Fund; Fund 30100, Underground Surcharge Fund

PREVIOUS COUNCIL COMMITTEE ACTION:


BPR dates in May and July


COMMUNITY PARTICIPATION AND PUBLIC OUTREACH EFFORTS:

N/A

KEY STAKEHOLDERS:

N/A


Patti Boekamp
Director, Engineering and Capital Projects


David Jarrell
Deputy Chief Public Works

**The City of San Diego
CERTIFICATE OF CITY AUDITOR AND COMPTROLLER**

CERTIFICATE OF UNALLOTTED BALANCE

ORIGINATING

AC 2900363

DEPT. NO.: 543

000127

I HEREBY CERTIFY that the money required for the allotment of funds for the purpose set forth in the foregoing resolution is available in the Treasury, or is anticipated to come into the Treasury, and is otherwise unallotted.

Amount: _____ Fund: _____

Purpose:

Date: _____ By: _____

ACCOUNTING DATA											
ACCTG. LINE	CY PY	FUND	DEPT	ORG	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT	
TOTAL AMOUNT											
											FUND OVERRIDE <input type="checkbox"/>

CERTIFICATION OF UNENCUMBERED BALANCE

I HEREBY CERTIFY that the indebtedness and obligation to be incurred by the contract or agreement authorized by the hereto attached resolution, can be incurred without the violation of any of the provisions of the Charter of the City of San Diego; and I do hereby further certify, in conformity with the requirements of the Charter of the City of San Diego, that sufficient moneys have been appropriated for the purpose of said contract, that sufficient moneys to meet the obligations of said contract are actually in the Treasury, or are anticipated to come into the Treasury, to the credit of the appropriation from which the same are to be drawn, and that the said money now actually in the Treasury, together with the moneys anticipated to come into the Treasury, to the credit of said appropriation, are otherwise unencumbered.

Not to Exceed: \$50,000.00

Vendor: MGT of America, Inc.

Purpose: Approve sole source number 1855 for the agreement between the City of SD and MGT of America, Inc. for the purpose of developing departmental wide indirect cost rates and authorizing the expenditure of an amount not to exceed \$50,000.

Date: October 31, 2008 By: Jessica Olson *Jessica Olson*

ACCOUNTING DATA											
ACCTG. LINE	CY PY	FUND	DEPT	ORG	ACCOUNT	JOB ORDER	OPERATION ACCOUNT	BENF/ EQUIP	FACILITY	AMOUNT	
001	0	100	542	2450	4151	002700				\$3,000.00	
002	0	100	543	220	4151	117789				\$14,500.00	
003	0	100	545	1510	4151	147000				6,000.00	
004	0	100	547	1000	4151	117778				10,500.00	
005	0	100	548	1000	4151	007203				9,500.00	
006	0	100	549	2000	4151	120100				5,500.00	
007	0	30100	30100	7100	4151	030100				1,000.00	
TOTAL										\$50,000.00	

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Engineering and Capital Projects Department								
Public Resource Management Group, LLC								
Funding Breakdown								
Fund	100	100	100	100	100	100	30100	
Dept	542	543	545	547	548	549	30100	
Org	2450	220	1510	1000	1000	2000	7100	
Acct	4151	4151	4151	4151	4151	4151	4151	
Job Order	002700	117789	147000	117778	007203	120100	30100	
Amount	\$ 3,000	\$ 14,500	\$ 6,000	\$ 10,500	\$ 9,500	\$ 5,500	\$ 1,000	\$ 50,000

NO 4151

-5032.45

3000

NO 4151

NO 4151

4589

98

33769 - Alice

000131

RESOLUTION NUMBER R-_____

DATE OF FINAL PASSAGE _____


A RESOLUTION AUTHORIZING THE CONSULTANT
AGREEMENT WITH MGT OF AMERICA, INC. FOR
DEVELOPING DEPARTMENTAL WIDE INDIRECT COST
RATES.

BE IT RESOLVED, by the Council of the City of San Diego that Mayor is authorized to execute, for and on behalf of said City, a Consultant Agreement with MGT of America, Inc. (formerly known as Public Resource Management Group, LLC, under Sole Source Contract, Sole Source Number 1855), under the terms and conditions set forth in the Agreement on file in the office of the City Clerk as Document No. RR- _____, for the purpose of developing departmental wide indirect cost rates [Project].

BE IT FURTHER RESOLVED, that the expenditure of an amount not to exceed \$50,000 from Fund 100, General Fund; Fund 30100, Underground Surcharge Fund, is authorized for the purpose of providing funds for the above referenced Project.

BE IT FURTHER RESOLVED, that this activity is not a "Project" and is therefore not subject to California Environmental Quality Act [CEQA] pursuant to State CEQA Guidelines Section 15060(c)(3).

APPROVED: MICHAEL J. AGUIRRE, City Attorney

By  *As to form only*
Michael P. Calabrese
Chief Deputy City Attorney

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MPC:sc

11/19/08

Aud.Cert.: AC2900363

Or.Dept:E&CP

R-2009-688

I hereby certify that the foregoing Resolution was passed by the Council of the City of San Diego, at this meeting of _____.

ELIZABETH S. MALAND
City Clerk

By _____
Deputy City Clerk

Approved: _____
(date)

JERRY SANDERS, Mayor

Vetoed: _____
(date)

JERRY SANDERS, Mayor

**AGREEMENT BETWEEN THE CITY OF SAN DIEGO
AND MGT of AMERICA, INC.
FOR CONSULTING SERVICES**

THIS Agreement is made and entered into between the City of San Diego, a municipal corporation [City], and MGT of America, Inc. [Consultant] for the Consultant to provide Professional Services to the City for specialized consultant accounting services in support of the Engineering & Capital Projects Department's FY09 budget preparation [Project].

ARTICLE I

PROFESSIONAL SERVICES

1. **Scope of Services.** The Consultant shall assist the Engineering & Capital Projects Department in formulating the Department's new organizational rate structure at the direction of the City.

ARTICLE II

DURATION OF AGREEMENT

2.1 **Term of Agreement.** This Agreement shall be effective on the date it is executed by the last Party to sign the Agreement, and approved by the City Attorney in accordance with San Diego Charter Section 40. Unless otherwise terminated, it shall be effective until completion of the Scope of Services or June 30, 2008 whichever is the earliest but not to exceed five years unless approved by City ordinance.

2.2 **Time of Essence.** Time is of the essence for each provision of this Agreement, unless otherwise specified in this Agreement. The scope of work must be completed in time for the FY09 budget presentation.

2.3 **City's Right to Terminate for Convenience.** The City may, at its sole option and for its convenience, terminate all or any portion of the Professional Services agreed to pursuant to this Agreement by giving written notice of such termination to the Consultant. Such notice shall be delivered by certified mail with return receipt for delivery to the City. The termination of the Professional Services shall be effective upon receipt of the notice by the Consultant. Consultant will be entitled to fair and reasonable compensation for all Professional Services completed in compliance with this Agreement prior to the notice of termination.

2.4 **City's Right to Terminate for Default.** If the Consultant fails to satisfactorily perform any obligation required by this Agreement, the Consultant's failure constitutes a Default. A Default includes the Consultant's failure to adhere to the Time Schedule. If the Consultant fails to satisfactorily cure a Default within ten calendar days of receiving written notice from the City specifying the nature of the Default, the City may immediately cancel and/or terminate this

Agreement, and terminate each and every right of the Consultant, and any person claiming any rights by or through the Consultant under this Agreement. The rights and remedies of the City enumerated in this Section are cumulative and shall not limit, waive, or deny any of the City's rights under any other provision of this Agreement. Nor does this Section otherwise waive or deny any right or remedy, at law or in equity, existing as of the date of this Agreement or hereinafter enacted or established, that may be available to the City against the Consultant.

ARTICLE III

COMPENSATION

3.1 Amount of Compensation. The City shall pay the Consultant for performance of all Professional Services rendered in accordance with this Agreement, including reasonably related expenses not to exceed \$50,000.

3.2 Additional Services. The City may require that the Consultant perform additional Professional Services beyond those described in the Scope of Services [Additional Services]. Prior to the Consultant's performance of Additional Services, the City and the Consultant must agree in writing upon a fee for the Additional Services, including reasonably related expenses, in accordance with the Compensation and Fee Schedule.

3.3 Manner of Payment. For the duration of this Agreement, the Consultant shall not be entitled to fees, including fees for expenses, that exceed the amounts specified in the Compensation and Fee Schedule. The Consultant shall submit invoices in accordance with "Exhibit C" which shall include a description of completed Professional Services. The City will pay undisputed portions of the invoice within thirty (30) calendar days of receipt.

ARTICLE IV

CONSULTANT'S OBLIGATIONS

4.1 Industry Standards. The Consultant agrees that the Professional Services rendered under this Agreement shall be performed in accordance with the standards customarily adhered to by an experienced and competent professional customized training consultant firm using the degree of care and skill ordinarily exercised by reputable professionals practicing in the same field of service in the State of California. Where approval by the City Council, Mayor, or other representatives of the City is required, it is understood to be general approval only and does not relieve the Consultant of responsibility for complying with all applicable laws, codes, and good consulting practices.

4.2 Maintenance of Records. The Consultant shall maintain books, records, logs, documents and other evidence sufficient to record all actions taken with respect to the rendering of the Professional Services for the Project, throughout the performance of the Professional Services and for a period of ten years following completion of the Professional Services for the Project. The Consultant further agrees to allow the City to inspect, copy, and audit such books, records, documents and other evidence at all reasonable times.

4.3 Insurance. The Consultant shall not begin the Professional Services under this Agreement until it has: (a) obtained, and upon the City's request provided to the City, insurance certificates reflecting evidence of all insurance required in Exhibit D; however, the City reserves the right to request, and the Consultant shall submit, copies of any policy upon reasonable request by the City; (b) obtained City approval of each insurance company or companies; and (c) confirmed that all policies contain the specific provisions required in Exhibit A. Consultant's liabilities, including but not limited to Consultant's indemnity obligations, under this Agreement, shall not be deemed limited in any way to the insurance coverage required herein. Maintenance of specified insurance coverage is a material element of this Agreement and Consultant's failure to maintain or renew coverage or to provide evidence of renewal during the term of this Agreement may be treated as a material breach of contract by the City. The Consultant shall not modify any policy or endorsement thereto which increases the City's exposure to loss for the duration of this Agreement.

4.4 Drug-Free Workplace. The Consultant agrees to comply with the City's Drug-Free Workplace requirements set forth in Council Policy 100-17, adopted by San Diego Resolution R-277952 and incorporated into this Agreement by this reference.

4.5 ADA Certification. The Consultant hereby certifies that it agrees to comply with the City's Americans With Disabilities Act Compliance/City Contracts requirements set forth in Council Policy 100-04, adopted by San Diego Resolution R-282153 and incorporated into this Agreement by this reference.

4.6 Non-Discrimination Requirements.

4.6.1 Compliance with the City's Equal Opportunity Contracting Program. The Consultant shall comply with the City's Equal Opportunity Contracting Program Consultant Requirements. The Consultant shall not discriminate against any employee or applicant for employment on any basis prohibited by law. The Consultant shall provide equal opportunity in all employment practices. The Consultant shall ensure that its Subcontractors comply with the City's Equal Opportunity Contracting Program Consultant Requirements. Nothing in this Section shall be interpreted to hold the Consultant liable for any discriminatory practice of its Subcontractors.

4.6.2 Non-Discrimination Ordinance. The Consultant shall not discriminate on the basis of race, gender, religion, national origin, ethnicity, sexual orientation, age, or disability in the solicitation, selection, hiring or treatment of Subcontractors, vendors or suppliers. The Consultant shall provide equal opportunity for Sub-consultants to participate in sub-consulting opportunities. The Consultant understands and agrees that violation of this clause shall be considered a material breach of the contract and may result in contract termination, debarment, and other sanctions. This language shall be in contracts between the Consultant and any Subcontractors, vendors and suppliers.

4.6.3 Compliance Investigations. Upon the City's request, the Consultant agrees to provide to the City, within sixty calendar days, a truthful and complete list of the names of all Subcontractors, vendors, and suppliers that the Consultant has used in the past five years on any of its contracts that were undertaken within San Diego County, including the total dollar amount paid by the Consultant for each subcontract or supply contract. The Consultant further agrees to fully cooperate in any investigation conducted by the City pursuant to the City's Nondiscrimination in

Contracting Ordinance [San Diego Municipal Code sections 22.3501-22.3517.] The Consultant understands and agrees that violation of this clause shall be considered a material breach of the contract and may result in remedies being ordered against the Consultant up to and including contract termination, debarment, and other sanctions for violation of the provisions of the Nondiscrimination in Contracting Ordinance. The Consultant further understands and agrees that the procedures, remedies and sanctions provided for in the Nondiscrimination Ordinance apply only to violations of said Nondiscrimination Ordinance.

4.7 Conflict of Interest. The Consultant is subject to all federal, state and local conflict of interest laws, regulations, and policies applicable to public contracts and procurement practices, including but not limited to California Government Code sections 1090, et. seq. and 81000, et. seq., and the City of San Diego Ethics Ordinance, codified in the San Diego Municipal Code at sections 27.3501 to 27.3595.

ARTICLE V

INDEMNIFICATION

5.1 Indemnification and Hold Harmless Agreement. With respect to any liability, including but not limited to claims asserted or costs, losses, attorney fees, or payments for injury to any person or property caused or claimed to be caused by the acts or omissions of the Consultant, or Consultant's employees, agents, and officers, arising out of any services performed under this Agreement, the Consultant agrees to defend, indemnify, protect, and hold harmless the City, its agents, officers, and employees from and against all liability. Also covered is liability arising from, connected with, caused by, or claimed to be caused by the active or passive negligent acts or omissions of the City, its agents, officers, or employees which may be in combination with the active or passive negligent acts or omissions of the Consultant, its employees, agents or officers, or any third party. The Consultant's duty to defend, indemnify, protect and hold harmless shall not include any claims or liabilities arising from the sole negligence or sole willful misconduct of the City, its agents, officers or employees.

5.2 Insurance. The provisions of this Article are not limited by the requirements of Section 4.3 related to insurance.

5.3 Enforcement Costs. The Consultant agrees to pay any and all costs the City incurs enforcing the indemnity and defense provisions set forth in this Article.

ARTICLE VI

MISCELLANEOUS

6.1 Headings. All article headings are for convenience only and shall not affect the interpretation of this Agreement.

6.2 Independent Contractors. The Consultant and any Sub-consultants employed by the Consultant shall be independent consultants and not agents of the City. Any provisions of this Agreement that may appear to give the City any right to direct the Consultant concerning the details of performing the Professional Services, or to exercise any control over such performance, shall mean only that the Consultant shall follow the direction of the City concerning the end results of the performance.

6.3 Jurisdiction and Venue. The venue for any suit or proceeding concerning this Agreement, the interpretation or application of any of its terms, or any related disputes shall be in the County of San Diego, State of California.

6.4 Conflicts Between Terms. If an apparent conflict or inconsistency exists between the main body of this Agreement and the Exhibits, the main body of this Agreement shall control. If a conflict exists between an applicable federal, state, or local law, rule, regulation, order, or code and this Agreement, the law, rule, regulation, order, or code shall control. Varying degrees of stringency among the main body of this Agreement, the Exhibits, and laws, rules, regulations, orders, or codes are not deemed conflicts, and the most stringent requirement shall control. Each Party shall notify the other immediately upon the identification of any apparent conflict or inconsistency concerning this Agreement.

6.5 Notices. In all cases where written notice is required under this Agreement, service shall be deemed sufficient if the notice is deposited in the United States mail, postage paid. Proper notice shall be effective on the date it is mailed, unless provided otherwise in this Agreement. For the purpose of this Agreement, unless otherwise agreed in writing, notice to the City shall be addressed to:

Afshin Oskoui, Chief of Design
Engineering & Capital Projects Department
600 B Street, Suite 800, MS 908A
San Diego, CA 92101

and notice to the Consultant shall be addressed to:

Linus Li
MGT of America
455 Capitol Mall, Suite 600
Sacramento, CA 95814

6.6 Product Endorsement. The Consultant shall conform to the City's Administration Regulation 95.65 concerning product endorsement which requires that any advertisement referring to the City as a user of a product or service will require the prior written approval of the City Manager.

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6.7 Ownership of Documents. The City reserves full rights of ownership of all finished or unfinished documents, data, studies, surveys, reports and other material prepared by Consultant under this Agreement.


6.8 Integration/Amendments. This Agreement represents the entire understanding of the City and the Consultant as to those matters contained herein. No prior oral or written understanding shall be of any force or effect with respect to those matters covered hereunder. This Agreement may not be modified or altered except in writing signed by both parties.

6.9 Exhibits Incorporated. All Exhibits referenced in this Agreement are incorporated into the Agreement by this reference.

IN WITNESS WHEREOF, this Agreement is executed by the City of San Diego, acting by and through its Mayor or designee, pursuant to San Diego City Charter Section 265 authorizing such execution, and by the Consultant, MGT of America, Inc.

I HEREBY CERTIFY that I can legally bind MGT of America, Inc. and that I have read all of this Agreement this fourth day of June, 20 08.

MGT OF AMERICA, INC.

BY: 
CONSULTANT

DATE SIGNED 6/4/08

CITY OF SAN DIEGO
A MUNICIPAL CORPORATION

BY: 
Tammy Rimes, Deputy Director

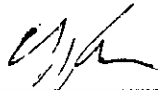
DATE SIGNED 6/13/08

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Approved as to form only, and not as to legality. -MTC

I HEREBY APPROVE the form ~~and legality~~ of the foregoing Agreement this 20th day of June, 2007. ~~2008~~

Michael Aguirre, City Attorney:

By: 
Deputy City Attorney

DATE SIGNED 6/20/08

EXHIBIT A

INSURANCE

1. **Types of Insurance.** At all times during the term of this Agreement, the Consultant shall maintain insurance coverage as follows:
 - 1.1 **Commercial General Liability.** Commercial General Liability (CGL) Insurance written on an ISO Occurrence form CG 00 01 07 98 or an equivalent form providing coverage at least as broad which shall cover liability arising from any and all personal injury or property damage in the amount of \$ 1 million per occurrence and subject to an annual aggregate of \$1 million. There shall be no endorsement or modification of the CGL limiting the scope of coverage for either insured vs. insured claims or contractual liability. All defense costs shall be outside the limits of the policy.
 - 1.2 **Commercial Automobile Liability.** For all of the Consultant's automobiles including owned, hired and non-owned automobiles, the Consultant shall keep in full force and effect, automobile insurance written on an ISO form CA 00 01 12 90 or a later version of this form or an equivalent form providing coverage at least as broad for bodily injury and property damage for a combined single limit of \$1 million per occurrence. Insurance certificate shall reflect coverage for any automobile (any auto).
 - 1.3 **Workers' Compensation.** For all of the Consultant's employees who are subject to this Agreement and to the extent required by the applicable state or federal law, the Consultant shall keep in full force and effect, a Workers' Compensation policy. That policy shall provide a minimum of \$1 million of employers' liability coverage, and the Consultant shall provide an endorsement that the insurer waives the right of subrogation against the City and its respective elected officials, officers, employees, agents and representatives.
2. **Deductibles.** All deductibles on any policy shall be the responsibility of the Consultant and shall be disclosed to the City at the time the evidence of insurance is provided.
3. **Acceptability of Insurers.**
 - 3.1 Except for the State Compensation Insurance Fund, all insurance required by this Contract or in the Special General Conditions shall only be carried by insurance companies with a rating of at least "A-, VI" by A.M. Best Company, that are authorized by the California Insurance Commissioner to do business in the State of California, and that have been approved by the City.
 - 3.2 The City will accept insurance provided by non-admitted, "surplus lines" carriers only if the carrier is authorized to do business in the State of California and is included on the List of Eligible Surplus Lines Insurers

(LESLI list). All policies of insurance carried by non-admitted carriers are subject to all of the requirements for policies of insurance provided by admitted carriers described herein.

4. Required Endorsements

The following endorsements to the policies of insurance are required to be provided to the City before any work is initiated under this Agreement.

4.1 Commercial General Liability Insurance Endorsements

ADDITIONAL INSURED. To the fullest extent allowed by law including but not limited to California Insurance Code Section 11580.04, the policy or policies must be endorsed to include as an Insured the City of San Diego and its respective elected officials, officers, employees, agents and representatives with respect to liability arising out of (a) ongoing operations performed by you or on your behalf, (b) your products, (c) your work, including but not limited to your completed operations performed by you or on your behalf, or (d) premises owned, leased, controlled or used by you.

PRIMARY AND NON-CONTRIBUTORY COVERAGE. The policy or policies must be endorsed to provide that the insurance afforded by the Commercial General Liability policy or policies is primary to any insurance or self-insurance of the City of San Diego and its elected officials, officers, employees, agents and representatives as respects operations of the Named Insured. Any insurance maintained by the City of San Diego and its elected officials, officers, employees, agents and representatives shall be in excess of Consultant's insurance and shall not contribute to it.

SEVERABILITY OF INTEREST. The policy or policies must be endorsed to provide that the Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability and shall provide cross-liability coverage.

4.2 Automobile Liability Insurance Endorsements

ADDITIONAL INSURED. To the fullest extent allowed by law including but not limited to California Insurance Code Section 11580.04, the policy or policies must be endorsed to include as an Insured the City of San Diego and its respective elected officials, officers, employees, agents and representatives with respect to liability arising out of automobile owned, leased, hired or borrowed by or on behalf of the Consultant.

SEVERABILITY OF INTEREST. The policy or policies must be endorsed to provide that Consultant's insurance shall apply separately to each insured against whom claim is made or suit is brought, except with respect to the limits of the insurer's liability and shall provide cross-liability coverage.

4.3 Worker's Compensation and Employer's Liability Insurance Endorsements

WAIVER OF SUBROGATION. The Worker's Compensation policy or policies must be endorsed to provide that the insurer will waive all rights of subrogation against the City and its respective elected officials, officers, employees, agents and representatives for losses paid under the terms of this policy or these policies which arise from work performed by the Named Insured for the City.

5. Reservation of Rights. The City reserves the right, from time to time, to review the Consultant's insurance coverage, limits, deductible and self-insured retentions to determine if they are acceptable to the City. The City will reimburse the Consultant for the cost of the additional premium for any coverage requested by the City in excess of that required by this Agreement without overhead, profit, or any other markup.

6. Additional Insurance. The Consultant may obtain additional insurance not required by this Agreement.

7. Excess Insurance. All policies providing excess coverage to the City shall follow the form of the primary policy or policies including but not limited to all endorsements.

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EXHIBIT B

**EQUAL OPPORTUNITY CONTRACTING PROGRAM (EOCP)
CONTRACTOR REQUIREMENTS**

The Consultant's hiring or retaining of any Subcontractors to perform services is subject to prior written approval by the City. Should the Consultant retain Subcontractors with the City's written approval, the Consultant shall comply with all Equal Opportunity Contracting (EOC) requirements. For applicable rules and forms see: <http://www.sandiego.gov/eoc/index.shtml>.

EXHIBIT C

CONSULTANT CERTIFICATION FOR A DRUG-FREE WORKPLACE

PROJECT TITLE: Rate Structure Development

I hereby certify that I am familiar with the requirement of San Diego City Council Policy No. 100-17 regarding Drug-Free Workplace as outlined in the request for proposals, and that:

MGT of America, Inc.

Name under which business is conducted

has in place a drug-free workplace program that complies with said policy. I further certify that each subcontract agreement for this project contains language which indicates the Subcontractors agreement to abide by the provisions of Section 4.9.1 subdivisions A through C of the policy as outlined.

Signed Kann Bloomer
Printed Name Kann Bloomer
Title Western Region Director

Date 6/5/08